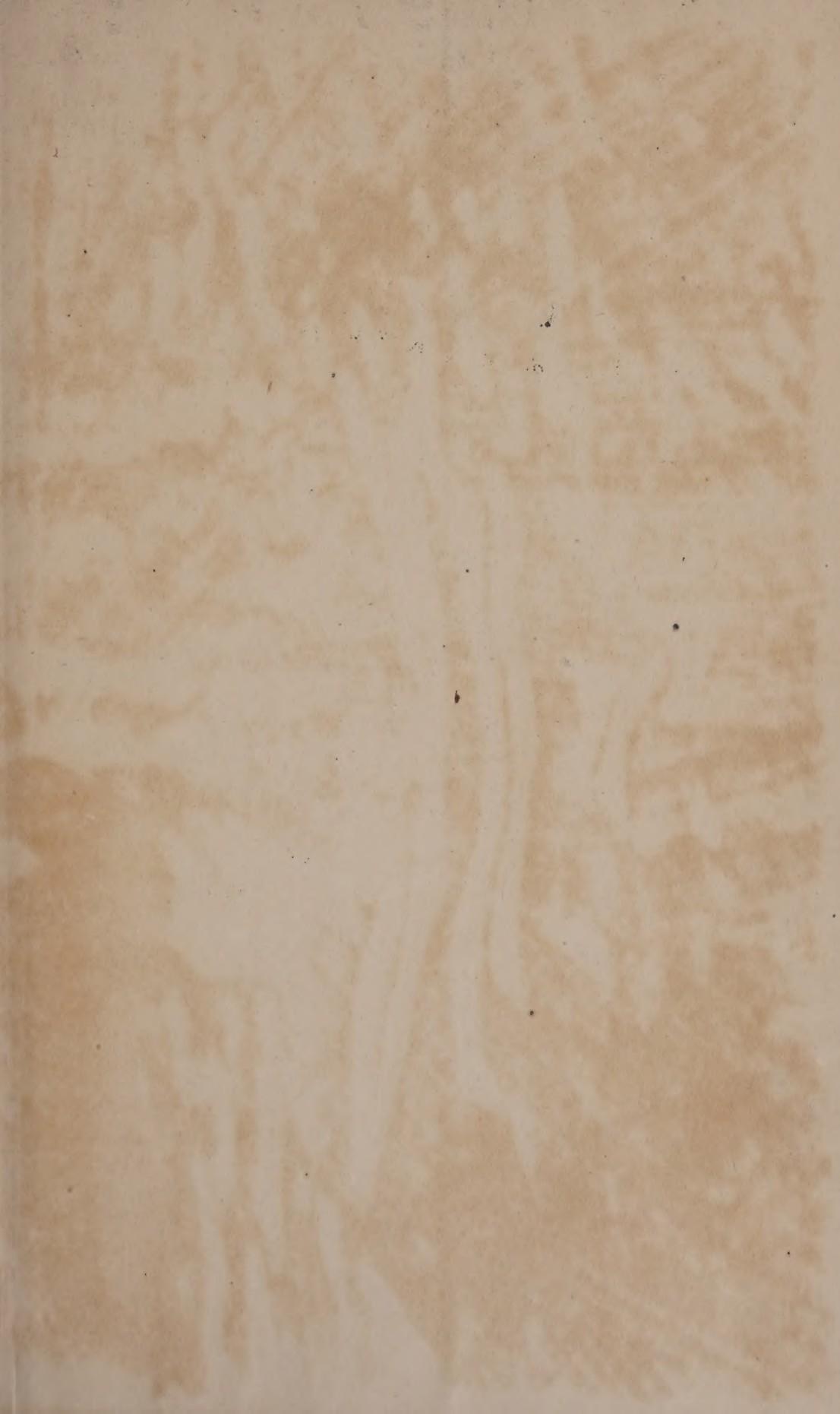


Cleveland employment agencies

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CLEVELAND EMPLOYMENT AGENCIES

REPORT OF THE MUNICIPAL COMMITTEE
THE CLEVELAND CHAMBER OF COMMERCE

Adopted by the Board of Directors

April 4th, 1913

*To the Board of Directors of
The Cleveland Chamber of Commerce:*

Your municipal committee through a sub-committee has been diligently engaged in the investigation, delegated to it last October by your board, of the methods and adequacy of Cleveland employment agencies; and we have considered thoroughly, as directed by you, the question whether it would be in our judgment advisable for the Chamber of Commerce itself to undertake the establishment of a free employment bureau.

Inquiries were sent to all of the employment agencies operating in Cleveland, to about 300 of the largest employers of labor in Cleveland, and to commercial and civic organizations in the 19 largest cities of the country. Replies were received from 17 of the 25 employment agencies, 150 of the 300 employers, and 18 of the 19 cities. Your committee has met with representatives of practically all of the quasi-public Cleveland employment agencies operated by organizations and societies, and the State Free Public Employment Bureau was visited by a representative of the committee. We submit attached hereto, as a part of this report, summaries of the results of our inquiries.

Your committee found that some investigations, more or less comprehensive, had been made by other organizations and individuals from the standpoint of the person seeking employment, and with a view to disclosing any abuses or malpractice on the part of the privately-operated agencies, as well as the State Bureau. Your committee has examined some reports of such investigations, as well as accounts of abuses in other cities, and has formed the opinion that Cleveland, though not by any means free from such abuses, compares very favorably with other cities in this respect. Our investigation was therefore directed chiefly to discovering whether or not the means by which men find work, and employers secure labor in Cleveland are reasonably efficient and adequate.

From this point of view the replies of employers to our inquiries furnish the most pertinent information. By a glance at the accompanying summary of these replies, it will be apparent that only one-third of the employers replying ever make use of any employment agencies, and of these, one-fourth use the quasi-public agencies only. Only five employers, one-thirtieth of the number replying, state that they receive satisfactory results from the private agencies. The dissatisfaction is chiefly with the agencies supplying a miscellaneous class of labor; many employers use the public and private agencies which supply chiefly technical and clerical help, with generally satisfactory results. Three-fifths of those who apply to any employment agencies for labor other than technical or clerical, comment that their results have been "poor" or "very poor." Several firms have discontinued any effort to use the agencies because of unsatisfactory service.

It is apparent from the replies that most employers secure the larger part of their labor either by selection from applicants at their own establishments or through their own employes. The next resource seems to be advertising in the newspapers. The employment agencies are apparently applied to only as a last resort. Whether this is the cause or the effect of the poor results secured from employment agencies, is of course an open question; your committee inclines to the belief that men in search of work must know that employers prefer to secure their employes from any other source than the agencies, and that this is the reason why, for the most part, only the less efficient class of labor seeks employment through the agencies. Of course, the good workman who is a stranger in the city seeking employment, and unfamiliar with the sources of employment, is likely to apply to the employment agency, and it is unfortunate that the condition above described works strongly to the disadvantage of some good workmen as well as employers.

Conclusions:

Nevertheless nearly every consideration which has entered into our discussions tends to establish the conviction that it would not be advisable for the Chamber of Commerce at present to attempt to establish an employment agency. Not the least of these considerations is the possibility that the laboring man might be uncertain as to the motives of the organization,—distrustful of the fact, however clearly represented, that the Chamber's effort was based on a desire to be mutually helpful both to him and to the employer.

Having reached the conclusion that we cannot recommend the establishment of a Chamber of Commerce Employment Bureau, your committee has endeavored to develop some other means by which the free bureaus now in existence might be improved. If the bureaus now being conducted by the Builders' Exchange, the local branch of the Metal Trades Association, and the Ben Franklin Club could be combined, and if other organizations of employers would join in supporting such a combined bureau, there might be therein the basis for a most efficient labor exchange. We have conferred with the executive officers of these organizations on this idea, and discover some differences of opinion as to the advisability of such a consolidated bureau. The Industrial Association (formerly the Employers' Association), is now considering the establishment of a Bureau, encouraged somewhat by the marked success of the bureau conducted by the Employers' Association of Detroit. Your committee hopes that when that organization has reached a conclusion on the subject, the Chamber may possibly be able to be helpful in some way.

The only other expedient which suggested itself relates to the State Free Employment Bureau. Ohio was the first state to establish such bureaus, and there are five in the state, the other four being located in

Cincinnati, Columbus, Toledo and Dayton. The purpose of establishing them was to check the abuses of private agencies, and the State Bureau of Labor Statistics not only conducts these bureaus, but through them exercises some police powers for the enforcement of the laws regulating private agencies. There is a considerable diversity of opinion with regard to the efficiency of the Cleveland bureau. The salary paid to the superintendent of each bureau is \$1,500; this salary, in a public office subject to short tenure, is inadequate to produce the best results, especially since no appropriation is made for advertising, and the bureau is therefore at a disadvantage as against the private agencies, which use the newspapers largely. The present superintendent of the Cleveland Bureau, Mr. Vaughn, appears to have a sincere desire to render the best possible service. He believes that his chief handicap, aside from the lack of an advertising appropriation, lies in the fact that employers do not make use of the Bureau, and that therefore, labor seeking employment gravitates naturally toward the private agencies where more positions are offered. He believes that in many cases employers are ignorant of the fact that the service of the state bureau is available to them, and he has made efforts in a number of ways to secure co-operation from employers.

In order to accomplish any considerable degree of betterment of the State Bureau, legislation would be necessary. We should be inclined at once to recommend increasing the salaries paid local superintendents, and providing an appropriation for advertising, except for the fact that the legislative session is so far advanced that such a proposal would probably receive scant attention; and further, we are not certain that a more thorough reorganization would not prove advisable after a thorough study of the question.

As a present expedient, therefore, your committee recommends that a letter be sent to all of the employers represented in the Chamber, urging them to make the fullest possible use of the State Free Public Employment Bureau, at least for a series of months, with a view of a later inquiry among employers to develop the results of this trial, and possibly to work out therefrom some practical suggestions for the betterment of the state system.

Respectfully submitted,

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S. R. Badgley
Thomas P. Ballard
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A. Lewenthal
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Edward J. Stone
E. A. Upstill
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J. W. Vanderwerf
Walter L. Widlar
H. L. Wilson

Municipal Committee

April 2nd, 1913

AGENCIES.

Inquiries were sent to 25 employment agencies, the total number listed in the city directories and telephone directories, including the state free public employment bureau and 5 quasi-public bureaus operated by organizations without charge for their service.

16 replies were received, 5 of which were from the public and quasi-public agencies. 2 of the private agencies replying attempt to place all kinds of labor; 3 fill only technical or clerical positions; 2 place only domestic help; the rest attempt to place miscellaneous classes of labor, chiefly unskilled. Of the 9 from whom no replies were received, 3 are believed to be limited to domestic help.

All of the agencies from whom replies have been received, with one exception, have been in existence four years or more; one domestic agency has been in existence 17 years. The 16 agencies claim to fill a maximum of about 57,000 positions per year; 17,000 were filled last year by the Associated Charities, of which all but about 200 were in temporary positions.

From 80% to 100% of the positions filled by most of the agencies were in Cleveland. One general agency fills less than one-fifth of its positions in Cleveland, and the Cleveland Engineering Agency fills one-third of its positions here.

The domestic agencies report that they make a charge to the employer ranging from 25 cents to \$2.00. No others make any charge to employers, except one which says that in case of strikes, it does charge the employer; the amount or basis of such charge is not stated.

7 of the private agencies charge a registration fee ranging from 25 cents to \$2.00 in some cases. This entitles the holder to try various positions for a limited period, usually 30 days. 4 claim to refund fees if no work is obtained. The domestic agencies charge no registration fee, but charge the employe 25 cents to \$2.00 when the position is secured. The engineering and clerical agencies, and some others, charge fees ranging from 20% to 60% of the first month's salary.

EMPLOYERS.

Inquiries were sent to 303 of the largest employers of labor in Cleveland, asking their experience in regard to employment agencies. 152 replies were received, of whom only 53 used employment agencies at all, and of these, 13 used the public or quasi-public agencies only. Of the 53, 15 stated that they received satisfactory results, but of these, 10 used public agencies only; 24 used agencies for technical and clerical help, 11 of whom used public agencies only. Of these 24, 22 received satisfactory service, including the 11 who used only the public agencies.

30 say that their results from employment agencies, for labor other than clerical, have been "poor" or "very poor." A number of firms used formerly to try the agencies, but have discontinued because of unsatisfactory service. 19 say that they use the newspapers. 4 say that they get the most of their help through their own employes.

Here are some of the employers' comments on agencies:

- "Always send hangers-on."
- "Usually send the scum of the labor market."
- "Look only for fee."
- "Men will not stick."
- "Send men in answer to want ads and charge fee for men sent."
- "We have no confidence in either the methods or the management of employment agencies."
- "Men inefficient and do not stay."
- "Agencies impose on help."
- "Men won't work."
- "Men are of unskilled, traveling class."

On the other hand, General Manager Moon of the New York Central Lines states that about 25% of the men in their locomotive department in Collinwood, in the past few weeks, have been secured through various employment agencies, and that "the men so furnished are among the best mechanics and helpers we get." Superintendent Wood of the Pennsylvania Lines stated that they use public agencies for freight-house truck men, laborers, etc., securing about 1% of such help through such agencies. Results are not entirely satisfactory as the men very seldom remain more than a few days. This, however, he thinks cannot be attributed to any fault of the agency, but possibly to the great demand for labor that has existed within the past year or so.

OTHER CITIES.

19 inquiries were sent to commercial and civic organizations in the nineteen largest cities of the country. Replies were received from 18.

They indicate that in no case, with the possible exception of Milwaukee, has any investigation of employment agencies been made by the commercial body.

There are state free employment offices in St. Louis, Boston, Cleveland, Baltimore, Milwaukee, Cincinnati and in Minneapolis. Ohio was the first state to establish such bureaus. A bill is now pending in the New York Legislature to establish a state bureau.

There are city bureaus in Newark, Los Angeles, Kansas City and Seattle. The bureau in Milwaukee was established by the Merchants and Manufacturers Association two years ago, in conjunction with the city administration and the Federated Trades Council. It has since been taken over by the Wisconsin Industrial Commission.

In Philadelphia and Pittsburgh certain newspapers print a series of want ads for a small registration fee.

The New Orleans Progressive Union is starting an employment bureau for clerical positions. The Washington Chamber of Commerce conducts an "unofficial, unadvertised agency" to secure a start for young men and women.

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